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ABSTRACT

Recognizing the need to fill the gap of knowledge concerning currency restrictions, a survey was conducted with the aim of creating a database and directory listing currency restrictions in the world, and also to alert overseas advisers and their U.S. counterparts to the difficulties international students may encounter when trying to obtain funds to pay tuition and fees. Survey results are presented in the following categories: (1) country and current exchange rate (correct as of March 1990); (2) restrictions on spending currenty to the United States from home country and conditions, if any, imposed by governments and central banks; (3) anticipated duration of restrictions; (4) restrictions on pre-admission fees as well as difficulties students may experience trying to get money orders to pay for application and test fees; (5) amount allowable to bring to United States; (6) amount allowable to transfer to United States; (7) restrictions on funds for dependents (spouse and/or children); (8) documents needed to transfer funds; (9) special exchange rates for students; (10) dollar amount accounts allowed in local banks; (11) CHIPS banks (worldwide electronic system for clearing checks). (16 tables) (LPT)

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WORKING PAPER #12

OSEAS/ADSEC BLOCKED CURRENCY SURVEY

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Students and admissions officers, alike, can experience frustration and delays when trying to cope with the red tape of legally obtaining funds to study abroad. It is yet another hurdle to overcome after the time-consuming process of gaining admission into a U.S. college or university.

In 1988, OSEAS, the professional group of overseas educational advisers within NAFSA and ADSEC, NAFSA'S Admissions section, acknowledged the need to fill the gap of knowledge concerning currency restrictions. OSEAS initiated a survey with a view to creating a database and directory listing currency restrictions in countries around the world. No such listing currently existed and the information within this report is vital to admissions officers and foreign student advisers in the United States.

This survey alerts overseas advisers and their U.S. counterparts to the difficulties international students may face when trying to obtain funds to pay for their tuition and fees.

It was decided that the best format would be a chart to summarize compactly the wealth of information collected. Questionnaires were mailed to the main student advising offices for each country, as listed in the Overseas Educational Advising Centers handbook published by The College Board. In some cases this was a Fulbright Commission, a USIS post or a bi-national center. In an effort to complete the survey, follow-up questionnaires were cabled via U.S. embassies/consulates to key countries which had not responded first-time around. In light of rapid developments in Eastern Europe, cables were sent also to Czechoslovakia, Poland, Hungary and Romania in February 1990.

The following categories summarize the results of the survey:

1. Country and current exchange (correct as of March 1990).

2. Restrictions on sending currency to the U.S. from home country. Conditions, if any, imposed by governments or central banks.

3. Anticipated duration of restrictions.

4. Restriction on pre-admission fees. Difficulties students may experience trying to

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get money orders to pay for application and test fees.

5. Amount allowable to bring to U.S. Funds that student can take with him out of his home country.

6. Amount allowable to transfer to U.S. Funds that student is permitted to export by means other than physically taking with him/her.

7. Restrictions on funds for dependents. Dependents here are defined as either spouse and/or children.

8. Documents needed to transfer funds. Paperwork required before money can be exported for educational expenses.

9. Special exchange rate for students. In a few countries several exchange rates exist, depending upon nature of transaction.

10. $ accounts allowed in local banks. Many countries provide for this option.

11. CHIPS banks. Worldwide electronic system of clearing checks. SWIFT is a variation of CHIPS.

Special thanks go to Janice Finn of the Fulbright Commission in London and Ron Moffat at California State University in San Diego for their work in coordinating and producing the survey.

Country & Exchange Rate	A Restrictions on sending currency to U.S.	B Anticipated duration of restrictions	C Restriction on pre-admission fees	D Amount allowable to bring to U.S.	E Amount allowable to transfer to U.S.	F Restrictions on funds for dependents	G Documents needed to transfer funds	H Special exchg. rate for students	I $ accounts allowed in local banks	J CHIPS banks
Argentina US$1 = 4600 Australs	None	Indefinite	None	No limit	No limit	None	Admission letter	No	No	Most
Bahrain US$1 = .377 Bahraini Dinars	None	Indefinite	None	No limit	No limit	None	None	No	Yes	?
Bangladesh US$1 = 32.5* Takas	Amount limited to expected costs on I-20 or expense letter from university	Indefinite	$ Permission Form ($100 limit per form) or university letter stating amount	No more than amount on I-20 for 6-12 months	Only amount on university letter for specific period. Transfers allowed quarterly or semi-annually	Transfers not allowed for dependents. Dependents on tourist visas may bring $1800 per trip	I-20 or university letter stating amount required and for what purpose	A wage-earner scheme offers a rate a bit higher than official rate	Citizens working outside can open foreign currency account in local banks	?
Belgium US$1 = 35.4 Belgian Francs	None	Indefinite	None	No limit	No limit	None	None	Rate for commercial transactions is 1% less expensive	Yes	SWIFT
Bolivia US$1 = 2.96* Bolivianos	Checks should be sent via courier system	Indefinite	Only by check	No limit	No limit	None	None	No	Yes	?
Brazil US$1 = 37.4 Cruzado Novo	Several types of restrictions depending on purpose	Indefinite	Payment order can be bought at tourist rate	$4000 at tourist rate	$2000/mo. for living, unlimited for tuition	$1000/mo	Application form and tuition bill	Tourist rate available for students	No	No
Bulgaria US$1 = 41 Lev	None	Indefinite	None	No limit	Depends on requirements of the school	None	None	No	No	Yes

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Cameroon US$1 = 287.3* CFA Francs	Special permit needed for amounts >$25	Indefinite	With govt. permission	Amount stated by school	Amount stated by school	Amount stated by school	Letter from school or I-20	No	No	?
Chile US$1 = 285 Chilean Pesos	Copies of original documents, indicating costs, must be left in Central Bank	Maybe will change in 1990	See (A)	Whatever is indicated on I-20 or expense letter	$200 monthly for living, but more if needed	$180 monthly for spouse, $150 monthly for children	See (A)	No	Yes, but it is not very safe to do so	?
Colombia US$1 = 457 Colombian Pesos	Must go through ICETEX.	Indefinite	Must go through ICETEX.	Full tuition, $560 books, $700 room & board, $500 personal exp.	ICETEX sends $ every 3 months	$450 for spouse, $200 for children	Admit letter stating duration & costs	No	No	?
Cyprus (Northern) US$1 = 2311* Turkish Lira	None	Indefinite	None	$3000 in cash	No limit	None	Student paper from Ministry of Education	No	No	?
Cyprus (Republic) $1 = .48* Cypriat Pounds	Export of Cyprus' currency must be approved by Central Bank	Indefinite	None	Unlimited for educ. expenses CP 1,100 for other expenses quarterly	Whatever is indicated on university expense letter	60% of what student is entitled to take to U.S.	Enrollment certificate with expenses	No	Only for non-residents	No
Czechoslovakia US$1 =16.36 Czech Crowns (KCS)	Illegal to export KCS. No restrictions on hard currency accounts	Change to convertible KCS expected soon	Approx. $50 can be bought per year for such fees	Nothing in KCS, only what's in hard currency accounts	Nothing in KCS, only what's in hard currency accounts	Nothing in KCS, only what's in hard currency accounts	None for hard currency accounts	Tourist rate is 36 KCS; black market rate is 45 to 119 KCS	No	?
Dominican Republic $1 = 6.38 Dominican Pesos	Available only for post graduate studies in fields not offered by Dominican universities	Indefinite	Yes, with duplicate copies of application forms	$10,000 per year	$10,000 per year, distributed in periodic amounts	No funds available for spouse/ dependents	Original of certified title (diploma) & university admit letter	No	No	Some

Country & Exchange Rate	A Restrictions on sending currency to U.S.	B Anticipated duration of restrictions	C Restriction on pre-admission fees	D Amount allowable to bring to U.S.	E Amount allowable to transfer to U.S.	F Restrictions on funds for dependents	G Documents needed to transfer funds	H Special exchg. rate for students	I $ accounts allowed in local banks	J CHIPS banks
Egypt US$1 = 2.63 Egyptian Pounds	Only funds in "free $ accounts" can be used, i.e. no black market $	Indefinite	Only funds in "free $ accounts"	Unlimited	Unlimited	None	None	No	Yes	?
Fiji US$1 = 1.55* Fiji Dollars	Students need approval from Reserve Bank	Indefinite	Yes	F$1000 upon departure	Whatever is indicated on university expense letter	Whatever is indicated on university expense letter	Admit letter stating duration & costs	No	Yes	Yes
Finland US$1 = 4.03 Finnish Marks	Up to 100,000 Finnish Marks may be exported without a permit from Bank of Finland	Indefinite	None	Up to 100,000 Finnish Marks	Up to 100,000 Finnish Marks monthly	Up to 100,000 Finnish Marks	Certificate of admission or invoice	No	Yes	?
France US$1 = 5.8 French Francs	None	Indefinite	None	$500	Unlimited	Unlimited	None	No	No	Yes
Germany (GDR) US$1 = 1.75 GDR Marks	GDR currency is non-convertible; export of currency is prohibited	May soon change	Export of currency is prohibited	Export of currency is prohibited	Export of currency is prohibited	Export of currency is prohibited	Export of currency is prohibited	No	No	?
Germany (FRG) US$1 = 1.71 Deutsche Marks	None	Indefinite	None	Unlimited	Unlimited	Unlimited	None	No	Yes	?
Ghana US$1 = 302* Cedi	Local currency not convertible. Foreign currency accounts available	Indefinite	Can be arranged by Central Bank	$3,200 from foreign exch. market; otherwise unlimited	No limit if transferred from foreign account	Govt. rarely approves transfers of foreign currency	Any relevant documents	No	Yes	No
Greece US$1 = 164 Drachmas	Bank of Greece issues checks to institutions & transfers monthly allowance	Indefinite	Up to $300 without Bank permit	$850	$850 monthly	$200 - spouse $150 - depen. per month	I-20 or IAP-66	No	No	?

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Guatemala US$1 = 3.6* Quetzals	Only $4000 can be sent at any one time	Indefinite	None	Only $4000 can be changed legally	$4000 per month	$4000 per student monthly	Verification of enrollment	No	No	?
Guinea-Bissau US$1 = 1984* GB Pesos	There are no commercial banks	1-2 years	Hard currency stores can issue checks	Not subject to strict controls	Not subject to strict controls	Easier to send money back to G-B	Admit letter	Unofficial rate = 1700 pesos	Businesses with special permits	No
Hong Kong US$1 = 7.8 H. K. Dollars	None	Indefinite	None	Unlimited	Unlimited	None	None	No	Yes	Yes
Hungary US$1 = 64 Forints (HFT)	(HFT) not convertible. Hard currency account needed at Nat'l. Bank	May change soon	See (A)	See (A)	See (A)	See (A)	None	Black Market = 90 HFT	No	?
Indonesia US$1 = 1810 Rupiah	None	Indefinite	None	Unlimited	Unlimited	None	None	No	Yes	Some
Israel US$1 = 2.14 New Israeli Shekels	$2000 on departure with 15% surcharge on each dollar purchased; also limits on transfers	Changes may occur any time	15% surcharge and $7 - $30 bank commission	$2000 upon departure + 15% surcharge	$500 per month; tuition sent to school by local bank	Each request evaluated by local bank	Original admit letter listing expenses	No	For Israelis living abroad and new immigrants	No
Italy US$1 = 1257 Lira	None	Indefinite	None	Unlimited	Unlimited	None	Expense letter from school	No	Not for Italians	?
Jamaica US$1 = 7* Jamaican Dollars	Permission from Bank of Jamaica needed for amounts > J$300 annually	Indefinite	Permission from Bank of Jamaica needed	Each case varies; judged by bank and Ministry of Ed	Each case varies; judged by bank and Ministry of Ed	Each case varies; judged by bank and Ministry of Ed	I-20 form	No	Not for students	No
Japan US$1 = 157 Yen	Amounts over 6 million yen (@ $550,000) must be approved	Indefinite	None	Amounts over 6 million yen must be approved	Amounts over 6 million yen must be approved	Amounts over 6 million yen must be approved	None	No	Yes	Yes

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Jordan US$1 = .66 Jordanian Dinars	5000 JDs per year at offical rate; market rate unlimited	Indefinite	None	5000 JDs per year	Unlimited	5000 JDs per year	Enrollment letter from school	$1 = .52 JD	Can only draw local currency	?
Kenya US$1 = 21.6* Kenyan Shillings	Yes	Indefinite	Approval needed if >$90	$230	As indicated on I-20	Same as student	I-20, copies of acad. certif., approval from Ed. Min.,& foreign exch. applic.	No	Can apply	?
Kuwait US$1 =.30 Kuwaiti Dinars	$250 cash, unlimited travellers checks	Indefinite	None	Unlimited	Unlimited	Unlimited	None	No	No	?
Lebanon US$1 = 559 Lebanese Pounds	None	Indefinite	None	Unlimited	Unlimited	None	None	No	Yes	?
Liberia US$1 = 1 Liberian Dollar	A 25% surcharge is required in obtaining foreign currency	Indefinite	Bank drafts are expensive	$1,000 cash, unlimited checks	Unlimited	None	Admit letter, expense letter	US$1 = LIB$2 (varies)	Yes	?
Luxembourg US$1 = 35.5* Lux. Francs	None	Indefinite	None	Unlimited	Unlimited	None	Receiving bank's ID #	No	Yes	No
Malaysia US$1 = 2.72 Ringgits	Amounts > 10,000 Ringgits must be cleared by Central Bank	Permanent	None	Unlimited	Unlimited	None	None	No	Yes	SWIFT
Mexico US$1 = 2,764 Mexican Pesos	None	Indefinite	None	Unlimited	Unlimited	None	None	No	No	?
Micronesia US$1 = US$1	None	Indefinite	None	Unlimited	Unlimited	None	None	No	Yes	?

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Morocco US$1 = 8.1 Dirhams	Approval required by Currency Exchange Office (CEO)	Indefinite	App. fees paid thru CEO; test fees paid in Dirhams	5000 Dirhams plus required fees and expenses	Whatever is indicated on I-20	Transfer of funds not approved for dependents	I-20 and detailed expense letter	No	No	SWIFT
Myanmar US$1 = 6.6* Kyats	[illegible]nnot send or take foreign currency out of country	Indefinite	None	$12	None	No funds can be moved	Not possible	No	No	?
New Zealand US$1 = 1.72 N. Z. Dollars	None	Indefinite	None	Unlimited	Unlimited	None	None	No	Yes	?
Norway US$1 = 6.6 Norwegian Kroners	Amts.>10,000 NKR must be approved by National Bank	Indefinite	None	Up to 10,000 NKR in lump sums	10,000 NKR in lump sums for unlimited # of transfers	None	None	No	Yes, for foreigners	?
Pakistan US$1 = 21.2 Pak. Rupees	State Bank must approve all transactions	Indefinite	State Bank approval needed	Whatever is needed for approved fields of study	Whatever is needed for approved fields of study	Case by case basis; not encouraged by govt.	Admit letter, accred. status, Govt. approv. field of study	No	Only for foreigners & citizens abroad	?
Panama US$1 =1 Balboa	None	Indefinite	None	Unlimited	Unlimited	None	None	No	Yes	?
Peru US$1 = 17,927 Intis	Tuition & fees, plus $800/month allowed at student rate (3x< the free market rate)	Can change at any time	Payed for at free market rate	Unlimited cash at free market rate	$800/month plus tuition & fees when due	Dependents not eligible for student rate	Original I-20 & original billing from school	Yes, US$1 = 700 Inti	Yes	No
Philippines US$1 = 22 Philippine Pesos	[illegible]al Bank approval required	Indefinite	None	$3000 plus required educ. expenses	Up to $2000 monthly	$250/month per dependent	Admit letter detailing expenses	No	Yes, with State Bank approval	SWIFT
Poland US$1 =9400 Zloties	<$500 unrestricted. >$500 needs special account and bank's permission	May change in near future	People with $ accounts can prepay fees	See (A)	No limits on $ accounts	See (A) and (E)	Varies with whim of bank clerk	10,000 to 18,000 Zloties buys 1 US$1	No	?

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Saudi Arabia US$1 = 3.75 Saudi Riyals	None	Indefinite	None	Unlimited	Unlimited	None	None	No	Yes	?
Seychelles US$1 = 5.5* Sey. Rupees	None	Indefinite	None	Unlimited	Unlimited	None	None	No	No	?
Singapore US$1 = 1.88 Singapore Dollars	None	Indefinite	None	Unlimited	Unlimited	None	None	No	Yes	No
Spain US$1 = 109 Pesetas	None	Indefinite	None	Unlimited	Unlimited	None	Letter or invoice	No	Citizens need permit	?
Sri Lanka US$1 = 40* Sri Lankan Rupees	Unlimited for tuition/ fees & supplies; limit of $7200(UG) & $8640(GR) per year for living expenses	Uncertain	None	Tuition/fees plus one year of living expenses	US$1500 once every 3 months	US$1500 once every 3 months	Schools must be fully accredited	No	Only for Sri Lankans who earn $ abroad	Yes
Suriname US$1 = 1.8* Sur. Guilders	23 documents required, students have low priority	Indefinite	Possible, but difficult	$200/year	$200/year	$200/year	I-20 with detailed expenses	Black market rate is 12 SG	For some companies	No
Sweden US$1 = 6.16 Krona (SEK)	Sums >SEK 25,000 must be registered for statistical purposes	Permanent	None	Unlimited	Unlimited	None	None	No	Yes	SWIFT
Switzerland US$1 = 1.52 Swiss Francs	None	Permanent	None	Unlimited	Unlimited	None	None	No	Yes	Yes
Syria US$1 = 11.3 Syrian Pounds	Undergrads not eligible for US$; Grads can buy $5000/year for tuition & $500/month at student rate	Indefinite	None for applic. fees; test fees paid only in local currency	$1000	$500/month	Wives of scholarship recipients get 35% monthly allowance of husband	Bill showing tuition/fees for each term	US$1 = 11.25 Syrian Pounds: for grad students only	No	Yes

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Taiwan US$1 = 26.4 N. T. Dollars	Limited to US$5 million per year	Indefinite	None	US$5 million per year	US$5 million per year	US$5 million per year	None	No	Yes	Yes
Thailand US$1 = 25.8 Baht	Limit on amount sent at any one time	Reviewed yearly	None	1/2 of annual amt. needed; remainder sent 6 months later	Monthly, or as requested	None	I-20	No	No	No
Tunisia US$1 = .912* Tunisian Dinars	All purchases of US$ must be approved by Central Bank	Indefinite	Sometimes difficult	Limited to $500/month	On case by case basis	On case by case basis	Enrollment & expense letter	No	For large businesses only	?
Uganda US$1 = 369* Ugandan Shillings	Applicants screened, selects only those going for needed courses not offered locally	Indefinite	None	Depends on I-20	Depends on availability	If funds are available	I-20	No	Not for students	No
United Arab Emirates US$1 = 3.67 Dirham	None	Indefinite	None	Unlimited	Unlimited	None	None	No	No	No
United Kingdom US$1 = .615 Pounds Sterling	None	Permanent	None	Unlimited	Unlimited	None	None	No	No	No
USSR US$1 = .60 Rubles	Citizens have no legal access to US $ except when leaving to travel abroad @US$10/day	Indefinite	Must be paid by someone outside USSR	@US$10/day	No money can be sent out	No money can be sent out	No money can be sent out	No	No	No
Yugoslavia US$1 = 11.9 Dinars	None when transmitted through money order	Indefinite	$250 cash, unlimited travelers cks.	Unlimited	Unlimited	None	None	No	Yes	?
Zimbabwe US$1 = 2.36* Zim. Dollars	Amount depends on field of study; limit of US$5000	Indefinite	Very difficult	US$5000 per year	US$5000 per year	Only if spouse is a student	Prospectus & admit letter with fee breakdown	No	No	?